



INDUSTRY CIRCULAR

**DEPARTMENT OF
THE TREASURY**

**Bureau of Alcohol, Tobacco and Firearms
Washington, D.C. 20226**

Number: 80-2

Date: February 19, 1980

**REPORTING WINES PRODUCED
UNDER 27 CFR 240.488 ON ATF FORM 5120.17(702),
MONTHLY REPORT OF WINE CELLAR OPERATIONS**

**Proprietors of Bonded Wine Cellars
and Others Concerned**

PURPOSE. This ATF circular is to inform proprietors of bonded wine cellars who produce or receive in bond wines produced under 27 CFR 240.488 that a forthcoming ATF Revenue Procedure will establish new reporting requirements.

BACKGROUND. Treasury Decision ATF-62 (44 FR 71613) effective January 1, 1980, which implemented regulatory changes for the Distilled Spirits Tax Revision Act of 1979 (Public Law 96-39), revised 27 CFR 240.488 to allow wine to be made with materials not authorized for use in standard wine production.

Treasury Decision ATF-63, ATFB 1980-1, effective February 1, 1980, which eliminated and simplified certain public use forms, revised 27 CFR 240.910 to include maintenance of records for wine produced under 27 CFR 240.488. The records required for wines under 27 CFR 240.488 are similar to the records required for special natural wines.

Because these wines can be produced and received in bond beginning January 1, 1980, the Bureau has decided to secure more statistics about these wines. This will be accomplished on a revised ATF Form 5120.17(702), Monthly Report of Wine Cellar Operations.

REPORTING PROCEDURE. Proprietors of bonded wine cellars producing or receiving in bond wines under 27 CFR 240.488 shall report the total gallons produced and the total gallons removed taxpaid during the month, and the total gallons on hand at the end of the month.

These statistics should be reported in Part X - Remarks of the 6-79 edition of Form 5120.17(702) or in Part IX - Special Natural Wines and 27 CFR 240.488 Wines of the 1-80 edition of Form 5120.17(702).

NEW EDITION (1-80) OF ATF F 5120.17(702). The 1-80 edition of Form 5120.17 will have items for reporting the information required above. Proprietors of bonded wine cellars who want this new edition (1-80) of Form 5120.17(702) should order the forms from the ATF Distribution Center, 3800 S. Four Mile Run Drive, Arlington, Virginia 22206.

EFFECTIVE DATE. This procedure will be effective on February 1, 1980. Form 5120.17(702) for the month of February 1980 shall include the additional information as required.

INQUIRIES. Inquiries regarding this circular should refer to its number and be addressed to the Assistant Director (Regulatory Enforcement), Bureau of Alcohol, Tobacco and Firearms, 1200 Pennsylvania Avenue, NW, Washington, DC 20226.

Q. R. [Signature]

Director

Department of the Treasury
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Washington, D.C. 20226

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